

**THE HONORABLE MARY JO HESTON
CHAPTER 13**

HEARING DATE: December 7, 2023

HEARING TIME: 1:00 P.M.

LOCATION: Tacoma, Washington

RESPONSE DATE: November 30, 2023

**IN THE UNITED STATES BANKRUPTCY COURT FOR THE
WESTERN DISTRICT OF WASHINGTON AT TACOMA**

In re:

JAMES JACKSON and
LUCAS JACKSON,

Debtors.

Case No.: 23-41711-MJH

TRUSTEE'S OBJECTION TO CONFIRMATION
WITH STRICT COMPLIANCE

COMES NOW, Michael G. Malaier, Chapter 13 Standing Trustee, and objects to
confirmation as follows:

BACKGROUND

Debtors filed this Chapter 13 case on October 5, 2023. The applicable commitment period is thirty-six months. The case is currently in the first month and the Meeting of Creditors has been completed. The bar date for filing non-governmental claims is December 14, 2023. Scheduled unsecured claims total \$0.00. The Trustee estimates that under the proposed plan general unsecured creditors will receive approximately \$0.00.

OBJECTION

☒ Plan is not feasible:

The plan is not adequately funded to pay administrative expenses and all secured, priority and unsecured claims provided for payment in the plan. Specifically, the plan is not feasible to pay the liquidation value based on plan payments alone. *See Declaration of Tracy Maher.*

☒ Plan does not meet the best interests of creditors test as required by 11 U.S.C. § 1325(a)(4):

Trustee believes that Debtors' transfer of real property into the Troy and Cloey Trust within the state lookback period may be avoidable. Trustee and counsel have discussed the issue and determined to wait until the expiration of the non-governmental claims bar date to determine if Debtors can propose a 100% plan by liquidation value with interest to resolve that issue. Trustee reserves the right to bring an adversary proceeding after that time should Debtors be unable to propose such a plan.

☒ Schedules or other documentation insufficient:

- 1) Schedules A/B & C should be amended to disclose Debtors' potential legal claims referenced in their section 341(a) testimony. In addition, the plan should be amended to specifically commit any non-exempt proceeds from those claims to the liquidation value of the plan.
- 2) Schedule I currently indicates that James Jackson "sometimes" receives additional income through the GI Bill, but that he is not currently receiving that income. ECF No. 10 at 21. Per his section 341(a) testimony, Debtor is currently receiving those funds. Schedules I & J should be amended to accurately reflect Debtors' current financial situation.
- 3) The Statement of Financial Affairs should be amended to disclose all of Debtors' historical income.
- 4) Trustee has requested, but not yet received, a copy of Debtors' liquidation analysis.

☒ Other:

Trustee's investigation is ongoing. He reserves the right to raise additional objections if additional grounds are discovered.

WHEREFORE, Trustee requests that the objection to confirmation be sustained and Debtors be ordered to file a motion to confirm a plan resolving the issues raised herein within

1 14 days of entry of the Order Sustaining Trustee's Objection to Confirmation; and to set the
2 hearing on the next available motion calendar after the 14 days expires. If the Motion to
3 Confirm resolving the Trustee's issues is not filed and set for hearing as outlined above, the
4 Trustee requests he be allowed to enter an order dismissing the case, *ex parte*, without notice.

5 **DATED** this 3rd day of November, 2023.

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8 /s/ Mathew S. LaCroix

9 Mathew S. LaCroix, WSBA #41847 for
Michael G. Malaier, Chapter 13 Trustee

10 **CERTIFICATE OF MAILING**

11 I declare under penalty of perjury under the laws of the United States as follows: I
12 mailed via regular mail a true and correct copy of the Trustee's Objection to Confirmation with
13 Strict Compliance and Declaration to the following:

14 James & Lucas Jackson
15 8702 – 123rd St. E.
Puyallup, WA 98383

16 The following parties received notice via ECF:

17 *Brett Wittner
18 *US Trustee

19 Executed at Tacoma, Washington on the 7th day of November, 2023.

20 /s/Tracy Maher

21 Tracy Maher
22 Office Manager